

Eligibility Modernization Frequently Asked Questions January, 2006

Q: How is the eligibility modernization project part of the FSSA transformation plan that Secretary Roob announced last July?

A: FSSA is the largest agency of State government, both in budget and number of employees. Our mission is to provide social services to our fellow Hoosiers through a variety of programs, many of which are governed by complicated and cumbersome regulations. The complexity of the processes and procedures and the failure of FSSA management to update and improve them over the past several years have created not only an inefficient system, but one that has invited fraud and corruption. Simply stated, our “customers” deserve better.

Q: Who are our customers?

A: FSSA has three major groups of customers – the taxpayers of Indiana, our clients and our providers/employees. The challenge of successfully managing FSSA is to carefully balance the best interests of each of these groups even though they may have conflicting interests.

We list the **taxpayers** first because they provide the funds for us to deliver any services. Our fellow Hoosiers must trust that we administer programs effectively and efficiently in full compliance with all rules and regulations. They must have confidence that we have the most modern systems in place to minimize abuse and maximize service to those truly qualified Hoosiers.

Our **clients** likewise deserve a “customer service” driven system for obtaining benefits. Deserving clients should not have to wait for services because our processes are antiquated. Nor should the application process itself be a burden.

The same is true of the **FSSA employees** and our **contract providers**. This is especially true for our employees who are forced to operate in a system sorely needing improvement. The long list of inefficiencies and areas for improvement that we found in FSSA were not caused by employees on the “frontline,” but evolved as a result of bad management. We need to equip our employees throughout FSSA with the very best tools, whether internally developed or in a public/private partnership.

Q: What is the eligibility modernization project?

A: As part of our total review of FSSA, we discovered there is a need to improve the eligibility process conducted at offices throughout the State. Because this function is so important, we initiated a project to examine the process more thoroughly and explore options for improvement, including a partnership with the private sector.

Q: What kinds of improvements are envisioned?

A: Our focus will be on process improvement with the result being better customer service. Our study showed that we have many excellent employees who cannot perform at your best because you are “trapped” in a bad system. In an information age based on speed and efficiency, you are kept in a Model T.

Q: Why can't we just improve the process ourselves?

A: We have fallen so far behind that we do not have the **time** or the **internal expertise** to make the comprehensive improvements that must be implemented. Internal change of this scope and magnitude is not feasible. We need to engage the business-process skills and technological resources of the private sector to help us achieve the level of performance that our clients and the taxpayers of Indiana deserve.

Q: Which parts of the eligibility process are likely to be impacted?

A: We want our private sector partner to look at **all** parts of the process. From our earlier review, we know that there is a need for more modern and convenient ways for our clients to access the system and complete paperwork. This could involve new technology that is available at multiple sites in the community or a uniform application that can be used for several programs. We are convinced that similar improvements can occur throughout the eligibility process.

Q: How will the role of the caseworker change?

A: Under the current system we know that many caseworkers are responsible for an unrealistic number of clients. The application process often makes caseworkers function as data-entry personnel rather than the social service counselors that they were trained to be. Our goal is to free the caseworkers from excessive paperwork and clerical functions so that they may provide better assistance and guidance to their clients.

Q: Will the intake and eligibility functions be separated?

A: One issue of concern we have is the lack of standardization in eligibility determination. One solution may be centralizing the eligibility determination. With new intake processes on new computer systems, the transmittal of information will be immediate. We do not anticipate this slowing the process at all. We do anticipate a significant improvement in the quality of the determination decisions.

Q: Will current State employees lose their jobs if a private contractor is hired?

A: The short answer is "no." Secretary Mitch Roob has repeatedly stated that all FSSA employees will be treated fairly throughout this process. Some State employees will continue to work on eligibility as State employees while others will have new opportunities with the private contractor. Still others will have new assignments within State government.

Q: Will State employees hired by the contractor have reduced pay and fewer benefits?

A: No. If FSSA engages a private vendor to assist the State in determining eligibility for program benefits, to be the successful respondent, FSSA will require the vendor to offer employment to our employees at a salary equal to or better than those provided by the State, and comparable benefits.

Q: Will some of the eligibility processing be performed by out-of-state or off-shore workers?

A: No. All workers will be housed in Indiana.

Q: Will some of the county offices be closed or consolidated?

A: Since a contractor has not been selected, it is impossible to know what specific changes may be recommended, including the status of any county offices. We are asking the contractor to make innovative recommendations for improvements and therefore do not want to put unnecessary restrictions in the Request for Services that would limit creativity. The two exceptions are (a) the requirement by State law that we have an office in every county, and (b) the fair treatment of State employees as previously described.

Q: The public notice for the Request for Information said that this contract could be worth as much as \$1 billion. Can the State afford this?

A: Currently, we spend about \$180 million per year in eligibility administrative costs. The \$1 billion cost in the public notice assumes a contract for seven to ten years, which calculates to an annual cost of about \$100 to \$140 million per year. This would produce an estimated annual savings of \$40 - \$80 million or \$270 - \$800 million over the contract period.

Q: How can the taxpayers of Indiana be sure that the contractor is being monitored closely and producing the desired improvements?

A: The contract will include very specific and measurable performance standards, including customer service. We are not walking away from our responsibility to administer the eligibility process. The State is still accountable for this function of government. Because we take this responsibility very seriously, we want to perform it in the best way possible. We are confident that a partnership with the private sector can help us reach the highest standards of efficiency and customer service.

Q: What is the timeline for this project?

A: To identify companies that have the experience and technological competence for the project, a Request for Information (RFI) was issued on October 28, 2005. The deadline for responses was **January 3, 2005**. The next step in the process is to issue a Request for Services (RFS) that asks for specific proposals from contractors. The RFS will be issued on **January 30, 2006**. After careful and detailed review the contractor will be selected with a target start date of **July 1, 2006**.